

SVETLANA SHABAEVA

Applying best Finnish practices in Russian regions: Occupational Barometer

Expert article • 2242

The challenge of labor market imperfection, and the mismatch between supply and demand is typical for both European countries and Russia. Poor matching between supply and demand has many negative consequences experienced by individuals and companies and also influence the country's economy and the society more generally. It has negative influence on wages and job satisfaction, causes hiring difficulties and lower productivity at company level and lowers the competitiveness of the country. To address this challenge, an "early warning system" approach is being developed in Europe. This system includes collection, analysis and provision of information about the past, current and future of the labour market in an understandable and accessible way for end users. Within this approach, separate tools for simple and clear informing of population about the labor market are being developed.

One of such tools is the Occupational Barometer (OB), initially developed in Finland by the Center for Economic Development, Transport and the Environment (ELY Center) for Southwest Finland, based on Swedish experience.

Today OB in Finland is the perfect tool for raising public awareness about labour market situation.

Nowadays ELY Centres in each region of Finland estimate the market situation for 250 occupations each falling in one of the following five categories: Great shortage/Shortage/Balance/Surplus/Large surplus of job seekers. The results are presented on the map of Finland, where the shortage, balance and surplus areas are reflected by five colors.

The occupational barometer is compiled twice a year. It aims to increase the balance between job seekers and vacancies and promote occupational and regional mobility. Another OB advantage is demand anticipation for labour force. As a result, users can see increase or decrease of demand for each occupation.

Barometer is typically used for providing the following services: vocational guidance, employment services, regional and occupational promotion of the labour force mobility, planning of adult and vocational training, planning of immigration, labour market analysis, etc.

The effectiveness of this tool is confirmed by its rapid development in Finland, the Nordic and the Baltic countries.

Thanks to the cooperation and openness of the Finnish colleagues from the ELY Center for Southwest Finland (Turku), OB was studied and applied in the Republic of Karelia (Russia) – the region, adjacent to Finland. After its successful application there, it was disseminated to 8 other regions of the Russian Arctic zone and Rostov region (the Southern Federal District).

Occupational Barometers for Karelia as a whole and for each municipality are presented as special posters that vividly and graphically represent information on the deficit, balance and surplus of occupations in the regional labour market. A similar approach has been used for the Arctic and Rostov regions.

The developing of OB for each administrative unit and their dissemination among the population and executive bodies contribute to improvement of the regional labour market balance.

In addition to posters, as a results of analysis and processing of the OB data, a regional map of the demand for occupations is made, where the balance of supply and demand for a particular occupation for each municipal district is presented using infographics.

The nearest development prospects for OB in Russia are – design of short-term forecasting and results mapping methods, similar to those currently used in Finland.

So, Occupational Barometer is an easy to use and simple tool, which can be used for multiple purposes.

Undoubtedly, OB implementation in selected regions of Russia is an important step towards raising public awareness about labour market.

Furthermore, making OB for several years will provide an opportunity to track the "life cycles" of occupations and in particular – to identify "retiring occupations", for which the demand of employers is gradually decreasing until the occupation disappears from the labour market. Similarly, conclusions can be made about occupations stably demanded by the economy. This information should be used for career guidance to young people and whole population as well as for adjusting curricula.

As the foreign and Russian experience shows, Occupational Barometer is a tool to effectively inform various target groups about the labour market.

So, the study and application of advanced Finnish experience in other countries helps to improve the situation on the labour market and the society in general.

Overcoming weak awareness of the population about demanded occupations will help to address not only economic challenges by means of filling vacancies and rational allocation of labour resources, but also to solve social tasks – reduction of youth unemployment, successful employment of graduates, and increase of personal incomes of citizens. ■



SVETLANA SHABAEVA
Doctor of Economics, Professor,
Director
Institute of Economics and Law
Petrozavodsk State University
Russia

Email: sigova@petsu.ru